

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

**Notice FLP-35**

1962-A

**For:** State and County Offices

**Protection of Chattel Security**

**Approved by:** Acting Deputy Administrator, Farm Loan Programs



**1 Overview**

**A**

**Background**

Recent National Office field visits, NIR reviews, and OIG investigations have disclosed that many Farm Loan Managers are not maintaining chattel security instruments as required under RD Instruction 1962-A.

**B**

**Purpose**

This notice reminds Field Offices of their responsibilities to comply with RD Instruction 1962-A, section 1962.5.

**C**

**Contact**

If there are questions:

- County Offices shall contact the State Office
- State Offices shall contact Bruce Mair, LSPMD.

**2 Protecting Chattel Security**

**A**

**Protecting  
Chattel Security**

On each direct FLP account secured by chattels, Farm Loan Managers should be in compliance with RD Instruction 1962-A, section 1962.5.

SED's should take action to ensure that chattel secured accounts are maintaining their security instruments.

LSPMD will be visiting selected States during the upcoming year to identify if security instruments are being maintained on chattel secured accounts.

**Disposal Date**

October 1, 1999

**Distribution**

State Offices; State Offices relay to County  
Offices